VENONA

JOP SECRET



USSR

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REISSUE

SERCEJ REPORTS ON U.S. POLICY TOWARDS EUROPE (1944)

From: NEW YORK

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Part I

To VIKTOR[i]

SERGEJ[ii] reports the following:

!. According to statements by informed journalists who have close contacts with government circles, the question of FRANCE's future is very disturbing. These circles, which [2 groups unrecovered], [1 group unrecovered] policy of non-recognition of RAS[iii] and are afraid that it may lead FRANCE into the sphere of influence of the USSR. From conversations with IMPERIALIST[iv] and CHIEF[ShEF][v] and the correspondents LINDLEY[LINDLEJ][vi], HARSCH[HARSh][vii] and VISSON[viii], the following emerges: the policy of the USA with regard to FRANCE has been inspired, since 1940, by CALIPH[KALIF][ix], LEAHY[LEGI][x] and MURPHY[MERFI][xi]

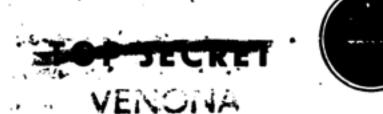
[35 groups unrecoverable]

ZOUAVE[ZUAV][xii] with the help of COT[KOT][xiii]. CAPTAIN[KAPITAN][xiv] hoped [B% at the same time] to occure for the COUNTRY[STRANA][xv] the permanent use of DAKAR and CASABLANCA[KASABLANKA] and possibly a base in INDO-CHINA and also to oppose the attempts by the ISLANDERS[OSTROVITYANE][xvi] to take FRANCE completely under their influence before the advantage was gained.

[27 groups unrecovered]

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not to recognise any such agreement. According to IMPERIALIST's account HEN HARRIER[LUN'][xvii] [and][a] his deputy[xviii] are not in agreement with CAPTAIN and consider that by their policy both the COUNTRY and the ISLAND [OSTROV][xix] have already practically lost the confidence of the French while conversely our prestige there is growing. I.[xx] affirms that the BEAR CUBS [HEDVEZHATA][xxi], as well as military circles and the Navy, are in favour of recognizing R.[xxii]. Naval chiefs[RUKOVODSTVO] are not demanding the annexation of DAKAR or other bases but want a military alliance which will offer the COUNTRY their use. They also have in mind bases in the Pacific.

2. According to I., the LEAGUE[LIGA][xxiii] - contrary to its previous intentions - is not at present supporting the dismemberment of GERMANY although it still regards the award of EAST PRUSSIA to POLAND as essential. The question of the use of German manpower in the USSR and

[42 groups unrecoverable]

would have paid and fed them.

- 3. Is regards the [B% Polish] question, [D% some circles] in the LEAGUE think, according to I., that the USSR should yield on the LWOW question in return for a change in the composition of the Polish Cabinet. I. reinforced this argument with the following observation: "The LWOW question ought not to be a matter of importance for the USSR since at considers that in any case the MIKULAJCZYK government would not stay in power and that this would therefore only be a temporary concession which right be rectified in the future["][1].
- 4. I. says that Wall Street considers the forthcoming mometary conference to be pointless. It is stated in financial circles that the currency of European occupied countries cannot be stabilized at present as the prospects for their economy in the future are not known: consequently stabilization should be limited to the dollar-sterling bloc and the USSR should not be included in the conference as the rouble is stable.
- 5. Considering European questions to be of secondary importance, I. constantly emphasized, as in previous discussions, that it was essential for the USSR to participate in the future in the destruction of JAPAN in order to secure firm friendly relations with the COUNTRY. As regards FINLAND, I. hinted that the treaking off of diplomatic relations would depend on the breaking off by the USSR of relations with BULGARIA. However in a conversation with IDE[YaZ][xxiv], HARSCH affirmed that CAPTAIN had finally rejected the proposal by HEN HARRIER and MARSHALL[MARSIAL][xxv] to break with FINLAND on the grounds that this would be inexpedient before the elections.
- 6. I. is well acquainted with DULLES[DALLES][xxvi], one of FISTs[KULAK][xxvii] [C% group of] political advisers. D.[xxviii] consulted [I.][a] as to how the BEAR CUBS' position on the question of postwar GERMANY should be set out and included I.'s statement of the position in a speech of FIST's in May.

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MAY[MAJ][xxix]



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Nates: [a] Insorted by the translator.

Comments: [i] VINTOR: Lt. Gen. F.M. FITIN.

[ii] SERGEJ: Vladimir Sergeevich PRAVDIN, TASS

representative in U.S.A.

[iii] RAS: General Charles de GAULLE.

[iv] IMPERIALIST: Walter LIPPMANN.

[v] CHIEF: Unidentified covername.

[vi] LINDLEY: Ernest Kidder LINDLEY.

[vii] HARSCH: Joseph C. HARSCH.

[viii] VISSON: Andre VISSON.

[ix] CALIFH: William Christian BULLITT.

[x] LEAHY: Admiral William D. LEAHY.

[xi] MJRPHY: Robert Daniel MURPHY.

[xii] ZOUAVE: Unidentified.

[xiii] COT: Posaibly Pierre COT.

[xiv] CAPITAN: Franklin D. ROOSEVELT.

[xv] COUNTRY: U.S.A.

[xvi] ISLANDERS: The British.

[xvii] HEN HARRIER: Cordell HULL

[xviii] Cordell HULL's: Edward R. STETTINIUS, Jr.

[xix] ISLAND: Great Britain.

[xx] I.: i.e. IMPERIALIST, Walter LIPPMANN.

[xxi] BEAR CUBS: U.S. Republican Party.

[xxii] R.: .e. RAS/General Charles de GAULLE

[xxiii] The LEAGUE: U.S. Government.

[xxiv] IDE: Simon Samuel KRAFSUR, of the TASS News Agency.

[xxv] MARSHALL: General George Catlett MARSHALL.







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Comments: [xxvi] DULLES: (Cont'd)

[xxvii] FIST:

[xxviii] D.:

[xxix] MAY:

John Foster DULLES.

Thomas Edmund LZWEY.

i.e. DULLES.

Stepan Zakharovich APRESYaN.



